HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1351 Renewable Energy Source Devices
SPONSOR(S): Rodrigues
TIED BILLS: None. **IDEN./SIM. BILLS:** None.

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Energy & Utilities Subcommittee		Voyles, Keating	Keating
2) Ways & Means Committee			
3) Commerce Committee			

SUMMARY ANALYSIS

The Florida Constitution provides for local government ad valorem taxes on real property and tangible personal property, assessment of property for tax purposes, and exemptions to these taxes. In 2016, the Legislature passed CS/HJR 193, a joint resolution proposing an amendment to the Florida Constitution that would authorize the Legislature, by general law, to establish certain tax treatment for solar and renewable energy source devices installed on non-residential real property. Specifically, the amendment authorized the Legislature to:

- Exempt from ad valorem taxation the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax; and
- Prohibit the consideration of the installation of such devices in determining the assessed value of residential and nonresidential real property for the purpose of ad valorem taxation.

Pursuant to CS/HB 195, the amendment was placed on the ballot on August 30, 2016, as "Amendment 4." Amendment 4 was approved by 73% of the voters in the election and, by its terms, will take effect on January 1, 2018, and expire on December 31, 2037.

The bill implements the provisions of Amendment 4. The bill provides for prospective application to renewable energy source devices installed on or after January 1, 2018. Consistent with Amendment 4, the bill provides for expiration of these provisions on December 31, 2037.

In addition, the bill establishes safety, performance, and reliability standards for the installation of certain renewable energy source devices and establishes disclosure requirements and penalties related to agreements to sell, finance, or lease such devices. The bill applies these disclosure requirements to any financing agreement entered into between a local government and a property owner to finance certain qualifying improvements, including renewable energy systems, through a non-ad valorem property assessment.

The Revenue Estimating Conference estimates that the provisions of the bill which implement Amendment 4 will have no impact on state government revenues and, for local government revenues, will have no impact in fiscal year (FY) 2017-18, an impact of -$44.2 million in FY 2018-19, and an impact of -$55.8 million in FY 2019-2020. The remaining provisions of the bill appear to have no impact on state and local government revenues or expenditures.

The bill provides an effective date of January 1, 2018.

The bill may implicate the mandate provisions of Article VII, s. 18 of the Florida Constitution, requiring a two-thirds vote of the membership of each house for final passage. (See Comments section.)

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Ad Valorem Taxation of Real Property and Tangible Personal Property

The Florida Constitution provides for finance and taxation, including local government ad valorem taxes on real property and tangible personal property,[1] assessment of property for tax purposes,[2] and exemptions to these taxes.[3]

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.[4] The ad valorem tax is an annual tax levied by counties, cities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.[5] The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,[6] and it provides for specified assessment limitations, property classifications, and exemptions.[7] After the property appraiser considers any assessment limitation or use classification affecting the just value of a property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.[8]

Anyone who owns tangible personal property on January 1 of each year and who has a proprietorship, partnership, or corporation, or is a self-employed agent or a contractor, must file a tangible personal property return to the property appraiser by April 1 each year.[9] Property owners who lease, lend, or rent property must also file. Each tangible personal property tax return is eligible for an exemption from ad valorem taxation of up to $25,000 of assessed value.[10]

Article VII, section 4 of the Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes.[11] Under Florida law, "just valuation" is synonymous with "fair market value," and is defined as what a willing buyer would pay a willing seller for property in an arm's length transaction.[12]

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[1] FLA. CONST. art. VII, s. 9.
[2] FLA. CONST. art. VII, s. 4.
[3] FLA. CONST. art. VII, s. 3.
[4] FLA. CONST. art. VII, s. 1(a).
[5] Section 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. Section 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in article VII, section 1(b) of the Florida Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.
[6] FLA. CONST. art. VII, s. 4.
[7] FLA. CONST. art. VII, ss. 3, 4, and 6.
[8] s. 196.031, F.S.
[9] s. 193.062, F.S.; *see also* FLA. DEP'T OF REVENUE, *Tangible Personal Property*, http://dor.myflorida.com/dor/property/tpp/ (last visited Mar. 17, 2017).
[10] FLA. CONST. article VII, s. 3.
[11] The constitutional provisions in art. VII, s. 4 of the Florida Constitution, are implemented in Part II of ch. 193, F.S.
[12] s. 193.011, F.S. *See also, Walter v. Shuler*, 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey*, 336 So. 2d 1163 (Fla. 1976); and *Southern Bell Tel. & Tel. Co. v. Dade County*, 275 So. 2d 4 (Fla. 1973).

Ad Valorem Tax Treatment of Renewable Energy Source Devices

The Florida Constitution authorizes certain alternatives to the just valuation standard for specific types of property. For example, the Legislature is authorized to prohibit the consideration of improvements to *residential* real property for purposes of improving the property's wind resistance or the installation of renewable energy source devices in the assessment of the property.[13]

The Legislature has implemented this prohibition, in part, through s. 193.624, F.S. The statute prohibits a property appraiser who is determining the assessed value of real property used for *residential* purposes from considering an increase in the just value of the property attributable to the installation of a renewable energy source device.[14] The statute applies to a renewable energy source device installed on or after January 1, 2013, on new and existing residential real property.[15] The statute defines the term "renewable energy source device" to mean any of the following equipment that collects, transmits, stores, or uses solar energy, wind energy, or energy derived from geothermal deposits:[16]

- Solar energy collectors, photovoltaic modules, and inverters;
- Storage tanks and other storage systems, excluding swimming pools used as storage tanks;
- Rockbeds;
- Thermostats and other control devices;
- Heat exchange devices;
- Pumps and fans;
- Roof ponds;
- Freestanding thermal containers;
- Pipes, ducts, refrigerant handling systems, and other equipment used to interconnect such systems; however, such equipment does not include conventional backup systems of any type;
- Windmills and wind turbines;
- Wind-driven generators;
- Power conditioning and storage devices that use wind energy to generate electricity or mechanical forms of energy; and
- Pipes and other equipment used to transmit hot geothermal water to a dwelling or structure from a geothermal deposit.

In 2016, the Legislature passed CS/HJR 193, a joint resolution proposing an amendment to the Florida Constitution that would authorize the Legislature, by general law, to establish certain tax treatment for solar and renewable energy source devices installed on *all* real property, not just residential property. Specifically, the amendment authorized the Legislature to:

- Prohibit a property appraiser from considering the installation of such devices in determining the assessed value of *all* real property for the purpose of ad valorem taxation; and
- Exempt from ad valorem taxation the assessed value of such devices subject to tangible personal property tax.

Pursuant to CS/HB 195, the amendment was placed on the ballot on August 30, 2016, as "Amendment 4."[17] Amendment 4 was approved by 73% of the voters in the election and, by its terms, will take effect on January 1, 2018, and expire on December 31, 2037.[18]

[13] FLA. CONST. art. VII, s. 4(i).
[14] s. 193.624(2), F.S.
[15] s. 193.624(3), F.S.
[16] s. 193.624(1), F.S.
[17] FLA DEP'T OF STATE, *Constitutional Amendments*, http://dos.elections.myflorida.com/initiatives/initdetail.asp?account=10&seqnum=93 (last visited March 17, 2017).
[18] *Id.*

Consumer Protection Laws

Several distinct consumer protection laws are codified in Parts I through VII of Chapter 501, F.S. Part II of Chapter 501, F.S., establishes protections related to retail installment contracts.

Property Assessed Clean Energy Programs

In 2010, the Legislature authorized local governments, by ordinance or resolution, to create programs to provide up-front financing for energy conservation and efficiency, renewable energy, or wind resistance improvements.[19] Under these programs, commonly referred to as "Property Assessed Clean Energy" or "PACE" programs, a property owner within the jurisdiction of a local government that offers a PACE program may apply to the local government for funding to finance a qualifying improvement and voluntarily enter into a financing agreement with the local government.

A "qualifying improvement" includes the following:

- Any energy conservation and efficiency improvement, which is a measure to reduce consumption through conservation or a more efficient use of electricity, natural gas, propane, or other form of energy on the property;
- A renewable energy improvement, which is the installation of any system in which the electrical, mechanical, or thermal energy is produced from a method that uses hydrogen, solar, geothermal energy, bioenergy, or wind energy; and
- Certain wind resistance improvements.[20]

The qualifying improvement must be affixed to a building or facility that is part of the property and, if the work requires a license, it must be performed by a properly certified or registered contractor.[21]

Local governments choose whether or not to support a PACE program.[22] Accordingly, a property owner may only participate in a PACE program if the property is located within the boundaries of a local government that offers a PACE program.[23] If the local government supports a PACE program, the local government often contracts with a PACE "provider" (or providers) to administer the program. The provider may be a third party entity or an entity that consists of multiple local governments created by interlocal agreement.[24]

Once a provider is in place, the local government's role in the program is often to serve as a conduit issuer of bonds. Local governments pay for the qualifying improvements up front and are paid back by placing a non-ad valorem assessment on the improved property's tax bill. To finance the program, the local government issues bonds that are sold to the PACE provider (or an investor in the PACE provider), and the bond proceeds are used to finance the PACE improvement. The bonds are in turn repaid ("backed") by a voluntary special assessment that the local government levies on the property receiving the PACE improvement.[25] The assessment attaches to the property and takes priority to any mortgage on the property.[26]

Prior to entering into a financing agreement, a local government is required to "reasonably determine" that:

[19] Ch. 2010-139, s. 1, Laws of Fla.
[20] s. 163.08(2)(b), F.S.
[21] s. 163.08(10)-(11), F.S.
[22] s. 163.08(3)-(4), F.S.
[23] *Id*.
[24] s. 163.08(5)-(6), F.S.
[25] s. 163.08(4), (8), (14), F.S.
[26] *See* s. 163.08(8), F.S.

- All property taxes and any other assessments levied on the property tax bill are paid and have not been delinquent for the past three years;
- There are no involuntary liens on the property;
- No notices of default or other evidence of property-based debt delinquency have been recorded during the past three years; and
- The property owner is current on all mortgage debt on the property.

Without the consent of the holder or loan servicers of any mortgage secured by the property, the total amount of any non-ad valorem assessment under a PACE program may not exceed 20 percent of the just value of the property as determined by the county property appraiser. However, if an energy audit demonstrates that the annual energy savings from the qualified improvement equals or exceeds the annual repayment amount of the non-ad valorem assessment, the 20 percent limit does not apply.[27]

At least 30 days before entering into a financing agreement, the property owner must provide notice to any mortgage holder or loan servicer of the intent to enter into the agreement, the maximum amount to be financed, and the maximum annual assessment that will be required to repay the amount. A provision in any agreement between a mortgagee or other lienholder and a property owner which allows for acceleration of payment of the mortgage, note, or lien or other unilateral modification solely as a result of entering into a PACE financing agreement is not enforceable. However, the mortgage holder or loan servicer may increase the required monthly escrow by an amount necessary to annually pay the qualifying improvement assessment.[28]

Effect of Proposed Changes

Ad Valorem Tax Treatment of Renewable Energy Source Devices

The bill implements the provisions of Amendment 4.

First, the bill expands s. 193.624, F.S., to prohibit a property appraiser from considering the installation of renewable energy source devices in determining the assessed value of *any* real property for the purpose of ad valorem taxation. The bill retains the definition of "renewable energy source device" from existing law. For devices installed on residential property, the bill retains existing law which states that the prohibition applies to devices installed on or after January 1, 2013. For devices installed on all other real property, the bill provides for prospective application to devices installed on or after January 1, 2018.

Second, the bill exempts from ad valorem taxation the assessed value of renewable energy source devices, as defined in s. 193.624, F.S., that are otherwise subject to tangible personal property tax.

Consistent with Amendment 4, the bill provides for expiration of both provisions on December 31, 2037.

Consumer Protection Laws related to Distributed Energy Generation Systems

The bill creates a new part of Chapter 520, F.S., (Part II) to govern the sale, finance, or lease of distributed energy generation systems.[29] Existing Part II of Chapter 520, F.S., related to retail installment contracts, is renumbered as Part III, and all subsequent parts of Chapter 520, F.S., are

[27] s. 163.08(12), F.S.
[28] s. 163.08(13), F.S.
[29] The bill defines "distributed energy generation system" as "a renewable energy source device, as defined in s. 193.624, that has a capacity, alone or in connection with other similar devices, of one kilowatt and that is primarily intended for on-site use." The bill provides that the term does not include an electric generator intended for occasional use.

renumbered accordingly. The bill provides that the new Part II is supplemental to the renumbered Part III but shall control in the event of a conflict.

The bill provides that a seller[30] who installs a distributed energy generation system must comply with applicable safety, performance, and reliability standards established by:

- The Public Service Commission (PSC).
- The public utility, as defined in s. 366.02, F.S., if the distributed energy generation system will be installed in service territory not regulated by the PSC.
- The National Electric Code.
- The National Electrical Safety Code.
- The Institute of Electrical and Electronics Engineers.
- UL.
- The Federal Energy Regulatory Commission.
- Local regulatory authorities.

A buyer[31] or lessee[32] who installs a distributed energy generation system must comply with the applicable interconnection rules and standards established by the PSC and any approved public utility tariffs that apply for interconnecting the system.

Further, the bill requires that each agreement[33] between a buyer or lessee and a seller that sells, finances, or leases a distributed energy generation system must:

- Be in at least 12-point type.[34]
- Be signed and dated by the person buying, financing, or leasing the system and the seller.
- Contain a provision granting the buyer or lessee the right to rescind the agreement for a period of not less than 3 business days after the agreement is signed by the buyer or lessee and before the system is installed.
- Provide a description of the system, including the make and model of its major components and the expected amount of energy it will produce based on average weather conditions. In lieu of providing this information, a seller may provide a warranty or guarantee of the energy production output that the system will provide over its life.
- Separately set forth the following items, if applicable:
    - The total cost to be paid by the buyer or lessee, including any interest, installation fees, document preparation fees, service fees, or other fees.
    - If the system is being financed or leased, the total number of payments, the payment frequency, the amount of the payment expressed in dollars, the total amount of interest expressed in dollars, and the payment due dates.
- Disclose and specifically identify all tax credits, including public utility rate credits, rebates, or state or federal tax incentives for which the buyer or lessee may be eligible and that are used by

[30] The bill defines a "seller" as "a person regularly engaged in, and whose business substantially consists of, selling, financing, or leasing goods, including distributed energy generation systems, to buyers or lessees." For purposes of the disclosure requirements established in this section of the bill, the term includes a local government that finances the purchase of a qualified improvement under a PACE program.
[31] The bill defines a "buyer" as "a person that enters into an agreement to buy, lease, or finance a distributed energy generation system from a seller."
[32] The bill defines a "lessee" as "a person that enters into an agreement to lease or rent a distributed energy generation system."
[33] The bill defines an "agreement" as "a contract executed between a buyer or lessee and a seller that leases, finances, or sells a distributed energy generation system," including retail installment contracts. The bill defines a "retail installment contract" as "an agreement executed in this state between a buyer and a seller in which the title to, or a lien upon, a distributed energy source device is retained or taken by the seller from the buyer as security, in whole or in part, for the buyer's obligations to make specified payments over time."
[34] For reference, the body of this bill analysis is prepared in 11-point type.

the seller in calculating the purchase price of the system. This disclosure must identify any conditions or requirements to obtain such credits, rebates, or tax incentives.

- Identify any tax obligations that the buyer or lessee may be required to pay in buying, financing, or leasing the system, including:
  - The assessed value of the system.
  - Any other taxes that may be assessed against the buyer or lessee.
  - Any obligation of the buyer or lessee to transfer tax credits, rebates, or other state or federal tax incentives that may apply to the system to any other person or to the seller.
- Disclose whether the seller will insure the system against damage or loss and, if applicable, disclose the circumstances under which the seller will not insure the system against damage or loss.
- Disclose whether the warranty or maintenance obligations of the system may be sold or transferred to a third party.
- Provide a full and accurate summary of the total costs under the agreement for maintaining and operating the distributed energy generation system over the life of the system, including financing, maintenance, and construction costs related to the system.
- If the agreement contains an estimate of the buyer's or lessee's future utility charges based on projected utility rates after the installation of a system, provide an estimate of the buyer's or lessee's estimated utility charges during the same period as impacted by potential utility rate changes ranging from at least a 5-percent annual decrease to at least a 5-percent annual increase from current utility costs.

In addition, the bill provides that each lease agreement must identify the party responsible for the balance of the lease payments if the property on which the system is located is sold or if the lessee dies before the end of the lease.

The bill also provides that each agreement must contain the following disclosures, which must be separately acknowledged and signed by the buyer or lessee:

- A statement identifying whether the agreement contains any restrictions on the buyer's or lessee's ability to modify or transfer ownership of a distributed energy generation system, including whether any modification or transfer is subject to review or approval by a third party. If the modification or transfer of the system is subject to review or approval by a third party, the agreement must identify the name, address, and telephone number of the person responsible for approving the modification or transfer and must specify the method for updating any change in the person's information.
- A provision disclosing whether the agreement contains any restrictions on the ability of the buyer or lessee to modify or transfer ownership of real property to which a distributed energy generation system is or will be affixed, including whether a modification or transfer is subject to review or approval by a third party. The disclosure must identify the name, address, and telephone number of the person responsible for approving any modification or transfer and must specify the method for updating any change in the person's information.
- A statement that reads: "UTILITY RATES AND UTILITY RATE STRUCTURES MAY CHANGE AND THESE CHANGES CANNOT BE ACCURATELY PREDICTED. THEREFORE, PROJECTED SAVINGS FROM YOUR DISTRIBUTED ENERGY GENERATION SYSTEM MAY CHANGE. IN ADDITION, TAX CREDITS, REBATES, AND OTHER STATE OR FEDERAL INCENTIVES ARE SUBJECT TO CHANGE OR TERMINATION BY FEDERAL OR STATE EXECUTIVE, LEGISLATIVE, OR REGULATORY ACTION."

The bill provides that a person who is obligated to maintain or warrant a distributed energy generation system under an agreement may not transfer the maintenance or warranty obligations of the system until the person discloses the name, address, and telephone number of the person who will be assuming the maintenance or warranty of the system. The bill also provides that marketing materials provided to a buyer or lessee that estimate future utility charges based on projected utility rates that may apply after installation of a system must also provide an estimate of the buyer's or lessee's

estimated utility charges for the same period assuming a rate increase of at least 5 percent and assuming a rate decrease of at least 5 percent.

The bill states that these provisions do not apply to a person or company, acting through its officers, employees, or agents, that markets, sells, solicits, negotiates, or enters into an agreement for a distributed energy generation system as part of a transaction involving the sale or transfer of real property to which the system is affixed. Thus, these provisions do not appear to apply to home sellers, including real estate brokers and agents.

The bill provides penalties for the willful and intentional violation of any of these provisions by a seller. Under the bill, such violations are noncriminal violations punishable by a fine not to exceed the cost of the distributed energy generation system involved in the transaction. In the event of such a violation, an owner[35] may recover, or may set off or counterclaim in any action against the owner by the violator, an amount equal to any finance charges and fees charged to the owner under the agreement, plus attorney fees and costs.

Property Assessed Clean Energy Programs

The bill requires that any financing agreement entered into between a local government and a property owner for the financing of a qualifying improvement under a PACE program must comply with the disclosure requirements described above for the sale, finance, or lease of a distributed energy generation system.

The bill amends various provisions of law to conform cross-references.

B. SECTION DIRECTORY:

Section 1. Amends s. 24.118, F.S., to conform a cross-reference.

Section 2. Amends s. 163.08, F.S., relating to authority for improvements to real property.

Section 3. Amends s. 193.624, F.S., relating to assessment of property.

Section 4. Amends s. 196.183, F.S., relating to exemption for tangible personal property.

Section 5. Amends s. 501.604, F.S., to conform cross-references.

Section 6. Creates a new Part II of ch. 520, F.S., relating to distributed energy generation system sales, and renumbers existing Parts II-VI of ch. 520, F.S.

Section 7. Amends s. 671.304, F.S., to conform cross-references.

Section 8. Provides for expiration of certain provisions on December 31, 2037, and provides terms upon which the text of such provisions may revert to that in existence in December 31, 2017.

Section 9. Provides an effective date of January 1, 2018.

[35] The bill does not define "owner." The term appears to refer either to the owner of a property to which a distributed energy generation system is affixed or to the owner of such a system.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None. The Revenue Estimating Conference estimates that the provisions of the bill which implement Amendment 4 will have no impact on state government revenues. The remaining provisions of the bill appear to have no impact on state government revenues.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference estimates that the provisions of the bill which implement Amendment 4 will have no impact on local government revenues in fiscal year (FY) 2017-18, an impact of -$44.2 million in FY 2018-19, and an impact of -$55.8 million in FY 2019-2020. The remaining provisions of the bill appear to have no impact on local government revenues.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The provisions of the bill which implement Amendment 4 may result in lower ad valorem taxes and lower overall energy costs for taxpayers who make qualifying improvements to real property. These provisions may stimulate sales and leases of renewable energy source devices and encourage the development of renewable energy device leasing businesses. These provisions will reduce taxes for electric utilities that install renewable energy devices to produce electricity.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The county/municipality mandates provision of Article VII, section 18, of the Florida Constitution, may apply because this bill reduces local government authority to raise revenue by reducing ad valorem tax bases compared to that which would exist under current law. This bill does not appear to qualify under any exemption or exception. If the bill does qualify as a mandate, final passage must be approved by two-thirds of the membership of each house of the Legislature.

Although this bill is implementing a constitutional amendment adopted by Florida voters, the constitutional language is permissive and only authorizes, not requires, the Legislature to act.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

For purposes of establishing new consumer protections related to the sale, finance, or lease of distributed energy generation systems, the bill defines such systems as renewable energy source devices with a capacity, alone or in connection with other similar devices, of one kilowatt. There are likely several renewable energy source devices that do not have a capacity of exactly one kilowatt or that could be designed to have a capacity other than one kilowatt. Thus, the bill may apply to a limited range of distributed energy generation systems.

The bill provides that a seller who installs a distributed energy generation system must comply with applicable safety, performance, and reliability standards established by, among others, the "public utility, as defined in s. 366.02, if the distributed energy generation system will be installed in service territory not regulated by the Public Service Commission." A public utility, as defined in s. 366.02, F.S., is subject to regulation of its rates and service by the Public Service Commission. For distributed energy generation systems installed in service territory *not* regulated by the commission, it is not clear which public utility standards would apply under the bill.

The bill requires that a buyer or lessee who installs a distributed energy generation system must comply with the applicable interconnection rules and standards established by the PSC and any approved public utility tariffs that apply for interconnecting the system. As written, this provision may be interpreted to require interconnection by buyers or lessees who might otherwise wish to be "off-grid."

The bill requires that each agreement between a buyer or lessee and a seller that sells, finances, or leases a distributed energy generation system must, among other things, identify tax obligations of the buyer or lessee, including the assessed value of the system. In situations where the seller is not a local government authorized to assess property for tax purposes, it is not clear how the seller will provide an assessed value. Further, the provisions of the bill which implement Amendment 4 would prohibit a property appraiser from considering the installation of renewable energy source devices in determining the assessed value of any real property and would exempt the assessed value of a system from tangible personal property tax.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not applicable.